

4. Reconvene the regular Selectmen's meeting.

The Chairman reconvened the Board in a regular session at 7PM having adjourned the non-public session at 6:55PM. Present: William Campbell, Lionel Ingram, Paul Binette, Robert Eastman, Joseph Pace and Town Manager George Olson.

5. Minutes of Selectmen's meeting of November 15, 2004.

Mr. Pace moved to waive the reading of the minutes and to accept them as submitted; second by Mr. Eastman. VOTE: Unanimous.

6. Bid award – Swimming pool slide.

Mr. Olson recommended the low bidder, Pettinelli & Assoc. at \$18,229.28, noting this is the price for the curved slide. ***Mr. Ingram moved to award the bid as recommended to Pettinelli & Assoc. for \$18,229.28; second by Mr. Pace. VOTE: Unanimous.***

7. Parking Committee – Tracey McGrail – warrant articles.

Tracey McGrail, Chamber President and Chairman of the Parking Task Force, provided proposed warrant articles pertaining to the various issues of the Committee. She noted parking issues date back to the 1978 Master Plan and the Chamber's 1926 annual report. At her last visit, the Board requested she prepare articles for presentation. Chairman Campbell recommended discussing each article separately.

Question 1: To see if the Town will vote to establish a Municipal Transportation Improvement Fund to assist the community in supporting, wholly or in part, improvements to the local and regional transportation system as set forth in RSA 261:153 VI. This will be a capital reserve fund whose proceeds are to be used to fund, or partially fund through matching grants, eligible local transportation projects such as parking improvements, public transportation, roadway improvements, traffic management, signal upgrades and development of new bicycle paths and sidewalks. Furthermore, to name the Board of Selectmen as agents to expend from this fund.

Mr. Eastman stated he was not in favor of supporting the Fund because of how vague it is, though the concept is good. He feels the wording for the fund should be tied with the CIP, in order for voters to view the projects for which the funds will be used. Mr. Pace feels it is not less specific than the Recreation revolving fund, establishing the Selectmen as agents, with public hearings held prior to expenditures.

Mr. Ingram noted he could understand Mr. Eastman's point but was concerned it may eliminate a way to complete the project. He is concerned with having some flexibility when a 'fast moving' issue arises. There should be some tie to the CIP but should maintain flexibility. Mr. Binette feels this is okay but does not want to "double-dip". With bike paths and sidewalks projects, who will pay what – from this fund or from DPW budget. This is too vague; specifics are needed on how the process will work.

Mr. Pace stated this is not a budget extension, and to expend the funds there must be a public hearing to explain the spending. He advised the Committee to bring forth their recommendations with a separate explanation from the warrant articles. Mr. Campbell suggested the Committee keep the proposal general enough to not limit the fund to parking facilities, but this may be too general even with control by the Board.

Mr. Eastman suggested establishing a CIP Committee, separate from the Planning Board but working with them, to identify all improvements in Town. He feels a plan should be developed prior to the set up of a fund, and then deal with the warrant article. Mr. Pace stated the CIP is not the 'grail' that some people think it is and some projects are done without it. It is used as a guide. Mr. Ingram supports the CIP but it is not a total Town plan. No one is responsible for the River, parking, etc. If the CIP is needed first, the Town can do nothing. It forces discipline on the Departments to look to the future. This fund is for items not with the budget and/or any off-timing of warrant articles.

Mr. Ingram moved to adopt the wording of the presented #1 as a selectmen's warrant article; second by Mr. Pace. VOTE: 4-1.

Question 2: *To see if the Town will vote to collect an additional motor vehicle registration fee of \$5.00 per vehicle for the purpose of supporting the Exeter Municipal Transportation Improvement Fund. As set forth in RSA 261:153-VI(b), this fee would apply to all motor vehicles with the exception of all-terrain vehicles, antique motor vehicles or motorcycles.*

Mr. Pace feels this is "thornier" and basically funds the Fund in Question #1 but representing different thoughts, or ways to go about it. Voters can't bear this in total and contributions should come from other stake holders, i.e. merchants. Mr. Campbell noted he agrees with the concept if it will improve lots, provide a garage, etc., But bike paths not in the downtown area, he feels, would not be acceptable to merchants and they would not want to contribute.

Mr. Eastman asked why not charge \$2 per vehicle, as the RSA says "up to \$5". Why pick \$5. Ms. McGrail stated the money from the two sources stated will not cover even one-half of the bond for the garage. Money up front is needed for handling any project – for design plans, architectural, meters, etc. She's not sure what could be done without consultants involved.

Mr. Binette asked why motorcycles couldn't be charged. Mr. Olson replied the Statutes are written to include that language. Mr. Eastman stated Disabled Veterans aren't charged to register their vehicles. Mr. Olson stated if no fee is paid, no \$5 charge would be made.

Mr. Ingram prefers not to charge the \$5 but would be more responsive to Question #3; then see the demands on the fund prior to seeing if the \$5 registration is needed. Hold question #2 for a year or so.

Mr. Pace stated that if on the warrant, voters will question "what is it for?". He believes it is easier to say the fee is for "X", rather than "transportation fund" with no real plan. He feels if the Board proposes the fund without the fee, there is a better chance to get it passed. If the fund plus the fee is proposed, neither may pass. **There was no motion to support.**

Question #3: *To see if the Town will vote to raise and appropriate, through special warrant article, the sum of \$40,000 for the purpose of purchasing and installing three "pay and display" parking pay stations to be located in the Town Parking lot between Water & Bow Streets. Revenues from the parking pay stations to be placed in the aforementioned Municipal Transportation Improvement Fund.*

Mr. Binette asked questions of the stations: cost per ticket by length of stay? Yes, you'll put in the money for the amount of hours requested. Who controls the machines? The Board will decide this but, as noted in the Task Force's meter proposal (attached).

Mr. Eastman noted meters were removed many years ago due to suffering by the merchants. They are now proposing installation of meters again. The Town may regret that.

Mr. Ingram moved to support the warrant article (Question #3) as stated; second by Mr. Pace. VOTE: 4-1.

8. Warrant Article to create Recreation Revolving Loan Fund

Though the Board had a copy of the proposed warrant article from the last meeting, and the Town Manager was directed to clarify the article further. After discussion with Mike Favreau, Recreation Director, Mr. Olson was unsure of what clarification was needed. [It was noted the listing on the agenda showed 'Loan' fund, which it is not. Mr. Favreau was present and stated the language given has been used by the Town of Newmarket, which they shared. It allows the fund to be established, money received is allowed to accumulate and not be put back into the General Fund, and the Board has control. Mr. Pace asked of the 'indirect cost piece' in which the fund would provide also for costs associated with supporting those programs such as staff, utilities, etc. Is this allowed? Mr. Olson stated though it is not clear that it does allow that portion, he suggested leaving as is and when the fund grows and that becomes an issue, the purpose could be adjusted then.

Mr. Ingram moved to accept the warrant article as written; second by Mr. Pace. VOTE: Unanimous.

9. Request to accept Sloan's Brook Drive and Sinclair Drive as public ways.

Mr. Olson noted the punch list items for all three road to be discussed this evening have been achieved and DPW recommends accepting all three. It was decided to take the two items separately.

Mr. Eastman moved to accept Sloan's Brook Drive and Sinclair Drive as public roads; second by Mr. Ingram. VOTE: Unanimous.

10. Request to accept Farmington Road as a public way.

Mr. Olson noted this project has also been recommended for acceptance by DPW, with all outstanding issues fulfilled. Mr. Binette, having reviewed the road just today, asked if the road was built per Town specs as it appeared very narrow in one area. Also, he expressed concern over the slope at the cul-de-sac with no way to secure the rocks from sliding onto the road. Mr. Olson noted all areas have been inspected and all documents are in place. Mr. Binette asked for a memo from DPW prior to his acceptance of the road. Mr. Olson read same.

Jon Ring, design engineer for the project (and present in the audience for a different issue) noted there was a compromise met during the technical review process and approved by the Planning Board with that portion of the road which is narrower than town specs call for. Because the road services only 4 house lots and the developer agreed to curbing in areas where only a slope grade was needed, the compromise was agreed to.

Mr. Pace moved to accept Farmington Road as a public way; second by Mr. Eastman. VOTE: Unanimous.

11. Purchase of Walter Stone property – Open Space Committee.

Don Clement, Conservation Commission, noted the Commission held a public hearing on this purchase on November 9th and unanimously approved going forward with the purchase. The Open Space Committee has worked since then on securing the parcel.

Peter Dow, Open Space Committee, with members Gwen English (Chairman), Tom Chamberlin, John Haslam, spoke of the 10.5 +/- acre parcel located off Powder Mill Road. On two sides of this parcel is 16 acres of Town-owned land and with this parcel, it would account for 1400' of road frontage. This parcel is mostly hayfield and bobolink nesting was seen in these fields this past June and Conservation Commission plans to manage the parcel as grassland. This would be an outright purchase and public access would be available. Across the street is a sliver of Town land leading to the River, which would continue the trail connection.

Mr. Dow noted this is the fifth project under the Bond, with the first four completed. We have an option till December 31st and then 60 days to complete the transaction. The property is appraised for \$175,000, as one lot, with \$6,780 in additional acquisition costs estimated. Mr. Binette asked if hunting is allowed. Mr. Dow stated it is not now posted but if the Town owns it, unless it is listed in the ordinances as one of the areas where hunting is allowed, it would not be. He noted it would be tough to allow hunting there due to the proximity of houses.

Mr. Eastman stated he has no problem with the purchase outright but expressed concern the transactions on the other parcels have been completed. Mr. Dow noted it was coordinated through the Treasurer and to avoid multiple issuances of bonds, the 4 projects were closed for \$1,252,5000 with some \$27,000 in transaction costs. If the Board approves this parcel, only one-half of the \$3 million would be used. The Treasurer used cash flow from taxes being paid to cover those parcels till a bond is issued in early 2005 to cover all of them. The first payment would then be due in 2006. Once issued, the general fund is reimbursed for that up-front payment.

Mr. Eastman asked who authorized the expenditure of those funds. Mr. Olson stated it was not unusual to save interest using cash on hand to be reimbursed with the bond. The authorization was to raise \$3 million to purchase property. Historically, the Town has handled bond purchases this way. Two closings were held last Tuesday. Since November 10th, tax money has been collected and in 13 days, the cash flow was such to use this way. Mr. Eastman questioned whether this was done legally and he will research this process. Mr. Binette asked what would happen if the Town ran short. Mr. Olson assured him it would not.

Mr. Pace asked if most towns operate this way. Mr. Olson reported yes, routinely, to reduce the overall costs to the town of acquiring bonds. He noted the initial purchase of the train station also occurred this way – spend from general revenue and the following year we rescinded the

authorization to borrow. It is a standard operating procedure in most towns. The voters authorize to raise and appropriate and then we borrow the funds. He is not aware of any Statute to prohibit excess funds handling this. It also eliminates the time process of the bond.

Alan Bailey, Green Street, reviewed the past discussion of a selectmen's meeting noting he had questioned how they would finance the bonds and there would be discussion before the board. Mr. Olson noted he had several conversations with the Treasurer concerning going out to bond. Mr. Brabant (Town Treasurer) was concerned over how much to bond and suggested waiting for several properties and seeking a bond for the total. If the Town waits will 2005 to acquire a bond, the Town would save funding by having no payments till 2006.

Mr. Bailey noted Mr. Dow and Mr. Olson had conversations with the Treasurer but the Board had no opportunity to discuss how to spend the funds. Mr. Eastman noted he found out tonight how the process was being handled and why was the Board not informed earlier. Mr. Campbell stated he feels Mr. Brabant used the best interests of the Town when proposing that scenario, but feels we could get a statement from him.

Mr. Eastman again stated he has no problem with purchasing this parcel but not before the bond is issued. Mr. Campbell stated that if what was done is illegal he would agree, but to save money up front, rather than acquiring the full \$3 million without it being necessary, he agrees with what was done. Mr. Pace noted the warrant article calls for the approval to purchase properties and did not say issue bonds to purchase. The Board decides and the Treasurer executes directives. Should we know more? Yes, but he does not believe any wrong-doing was done here as some would love to believe. The money will eventually come from a bond.

Mr. Ingram moved to purchase the property of Walter Stone at the final purchase price of \$175,000 and estimated acquisition costs of \$6,780; second by Mr. Pace. VOTE: Unanimous.

Mr. Ingram asked the Commission to view a set of trees on Powder Mill Road (on left, to left from exiting Kimball Road) to see if we could get under Town control. He would not want to see these lost through construction. Mr. Dow explained a process, under State Statutes, that allows towns to acquire such trees.

12. Cubie Road from a Class 5 Road to Municipal Trail – Conservation Commission.

Peter Dow presented, as an outgrowth of the Open Space Committee acquisition of land, the proposal to change Cubie Road from a Class 5 road to a Municipal Trail, similar to what was accomplished for Jolly Rand Road in March, 2000. With a Class A road, abutting properties can use it to access except for development. This is the only dirt road in Town labeled a Class A road. The continuance of this road into Newfields, known as Cuba Road, connects to Route 87. There are no utilities and no homes on this road. All land along this abuts to soon-to-be Town conservation land, except 21 acres owned by Mr. Webb. This would be a public right-of-way but controlled by the Town to eliminate full-sized trucks, etc. and to help eliminate the dumping that has occurred along this stretch. There is currently a temporary gate due to the bridge being out in Newfields. He does not believe Newfields has plans to repair the bridge. RSA 231-A explains the reclassification of roads to municipal trails.

The Board asked the Town Manager to contact Newfields concerning their process. This would be presented to the Town as a warrant article.

Gwen English thanked the Board for approving the purchase of the Stone property. She also thanked the Conservation Commission and particularly Peter Dow for all their work on coordinating the properties through closing.

13. Funding of Exeter River request for proposal.

Mr. Olson noted he met with Keith Noyes concerning the other sources of funding for the RFP. There have been changes in personnel and vacancies in various accounts. Mr. Olson recommended under-expending 1-2563 (Highway Payroll) and over-expending 1-2574 (Dam Maintenance) to cover the costs for the RFP.

Mr. Eastman noted the Town went to a default budget and does not feel we should expend funds for a project never included in the 2004 budget. With the State studying the River, he feels we should wait to see their results in order to see how we should approach the matter. Mr. Ingram insisted there is a need for it and a way to get things done. If there is a need, the Board should be able to call it an emergency and take from the Reserve Fund. The State report may be 2-3 years away from final conclusions. Mr. Ingram noted we are not a part of the State River Pilot Commission and, though we have spoke with the State, we agreed to do a parallel study. This RFP would insure a means of when to do something with the River and he does not understand why we would put this off.

Mr. Eastman suggested placing this in the '05 budget. If this is an emergency, we would need to go to DRA to grant approval for expenditure.

Mr. Binette questioned the personnel issues, noting some \$60,000 available at this time. Why is there so much available. He wants to know what jobs and accounts are affected and how much is available in each. Mr. Olson explained that during 2004, vacancies and personnel changes occurred and funds were not expended, leaving a surplus in the account at the end of the year. This is not unusual when vacancies and changes occur. If no changes were made, there would be no funds remaining at the end of year. He feels this is an opportunity to fund the project. Mr. Binette insisted on details.

Mr. Eastman asked how \$33,000 could be expended for a project no in the budget. Mr. Olson replied the funds are available by doing what he just suggested. Mr. Campbell asked what the RFP would cost. Mr. Ingram stated \$20-25,000 but noted the project is not just for the dam but includes the water works.

Mr. Pace agreed this is an important process to solve the problem. The financial process to over and under expend accounts is an issue outside the project. Mr. Ingram stated the Board needs to be allowed the ability to make decisions and how to fund without the concern the Board is "doing something wrong". It was suggested the Board wait till after January 1st, place the funds in the 2005 budget and expend then. No action was taken.

14. Action to accept 2003 Town Audit.

The meeting with the auditors will be December 14th at 10AM. *Mr. Pace moved to accept the audit pending satisfactory review with the auditors on the 14th; second by Mr. Ingram. VOTE: Unanimous.*

15. Recommended 2005 Town Budget.

Mr. Olson read from the attached notes concerning the budget process and recommended operating budget of \$15,689,221, reflecting an increase of 6.5% over the 2004 operating budget (or \$955,885).

Mr. Eastman recommended including \$25,000 in line item 1-2574 (Dam Maintenance) for the River RFP, increasing that total to \$29,000.

16. Permits:

- The Exeter Area Chamber of Commerce requested the Wheelwright Room on December 13th at 11AM for the Chamber Children's Voucher distribution.
- The Chamber requested use of the Nowak Room on December 16th at 11AM for the Chamber Children's press conference.
- Senator Jeb Bradley requested the Wheelwright Room on December 14 from 10:30-11:30AM to meet with constituents.
- New Outlook requested the Town Hall, with stage, for a multi-band concert on January 21 from 5-11PM.
- Exeter GFWC (Women's Club) requested use of the Town Hall on January 28 and 29th for a yard sale to benefit the Swasey Pavilion fundraiser.
- Exeter PTO/Main Street School requested permission for a road race on May 21st beginning at 8:30AM. The Chief approved the route.

Mr. Ingram moved to approve the permits as presented; second by Mr. Pace. VOTE: Unanimous.

17. Town Manager's Items:

- Exeter Christmas Parade is this Saturday, December 4th at 4:30PM.
- Medallions featuring the Bandstand are on sale at the Reception desk. \$20 for 4-inch; \$10 for 2-inch.
- Winter parking ban begins December 1st from 12 midnight to 6AM.
- Exeter Fire Department will be collecting new, unwrapped toys and non-perishable food during the Christmas parade.
- Next meeting is December 6th at 4PM to open bids for the water treatment plant. The budget will be discussed at their meeting of December 13th.

18. Selectmen's Committee reports:

Mr. Pace: Town Manager Search committee offered 3 candidates for finalists. The schedule is to have each finalist at the Town Hall Art Gallery from 7-8PM on the following dates: Jonathan Sistare, December 6th; Russell McAllister, December 7th; Russell Dean, December 9th. They will speak as well as answer questions of the general public. Feedback will be appreciated from residents.

Mr. Ingram: Exeter River Study Committee met on November 18th and discussed the RFP; river management; pilot program, including seeking relief of State pressure on the Town till the pilot program is complete (i.e. the dam); seeking Federal and State funding.

Mr. Eastman: Planning Board meets Thursday to discuss 10 zoning amendments.

Mr. Binette: None.

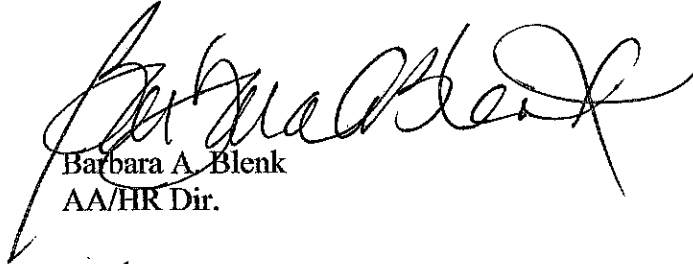
Mr. Campbell: None.

19. Public Comments:

None.

Mr. Eastman moved to adjourn; second by Mr. Pace. VOTE: Unanimous. Time: 9:40PM

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Barbara A. Blenk', written over the printed name and title.

Barbara A. Blenk
AA/HR Dir.

attach.